

Mr. Ford's Page

THE government will not be in a position to advocate economy and efficiency in private business until it has demonstrated these qualities in public business. And the government will scarcely demonstrate these qualities until it gets the idea that economy is more than the cut-off of expenditure. Economy has frequently nothing whatever to do with the amount of money being spent, but with the wisdom used in spending it. The expensiveness of government is due to its inefficiency, and that cannot be cured by "saving money." It can only be done by reorganization. And, as reorganization frequently means the cutting out of useless jobs, it is easy to understand how, in politics, very little of it is undertaken.

Cutting out jobs has an inhuman sound and it can be used with immense effect in rousing the prejudices of thoughtless people. If formerly it required ten men to do a piece of work, and a reorganization of efficiency enabled that same work to be done by nine men, resulting in a decrease of one-tenth in the cost to the public, there is danger of the habitual howlers setting up a cry:

"Yes, but what about the tenth man who lost his job? And what about the other nine men who must work harder to make up the tenth man's work?"

The answers are, of course, quite simple and easily understood by anyone who will use his mind.

In the first place, the fact that the work is now being done by nine men does not imply that the tenth man is unemployed. He is merely not employed on that work, and the public is not unnecessarily carrying the burden of his support by paying more than it ought on that work—for after all, it is the public that pays!

An industrial concern that is wide enough awake to reorganize for efficiency, and honest enough with the public to charge it necessary costs and no more, is usually such an enterprising concern that it has plenty of jobs at which to employ the tenth man. It is bound to grow, and growth means more jobs. A well-managed concern that is always seeking to relieve the labor cost to the public is certain to employ more men than the concern that loafs along and makes the public pay the cost of its mismanagement.

That, then, is a point worth remembering: the tenth man was an unnecessary cost on that certain commodity. The ultimate consumer was paying him. But, the fact that he was unnecessary on that particular job does not mean that he is unnecessary in the work of the world, or even in the work of his particular shop. It is a matter of seeing that production costs no more than it should, and that the public is not loaded with costs which good management can avoid.

The public pays for all mismanagement. More than half the trouble with the world today is the "soldiering" and dilution and cheapness and inefficiency for which the people are paying their good money. Wherever two men are being paid for what one can do, the people are paying double what they ought.

This should be understood. There is a feeling that employers use efficiency to increase their personal profits. The surplus of an industrial enterprise is what insures it, keeps it going. Efficiency is not the act of taking a man's wages from him and putting it in the money box; efficiency is seeing that the public is not being charged two prices for one service.

Human sympathy is a fine and potent power. But if the public knew how much of its burden is due to the unnecessarily heaped-up cost of jobs on some of its daily commodities, they would be able to view this question in another light. The tenth man, and the ninth man, and the eighth man too, if possible, should be lifted off the load which the people bear. As to the feeling that in such

efficiency those who are left must work beyond what they ought, this should be considered: the test of good management is that it makes work easier, not harder. Efficiency that is obtained by loading an extra burden on men already doing a full day's work, is not efficiency. The difference must be made up out of the brains of the managers. It is not a question of eight men, or nine men doing ten men's work; it is a question of good management finding ways of doing the same work with the lesser number, the difference being in the improvement of the method used. One man now moves a casting which twenty men formerly strained themselves to lift. The one man now only presses a button. The difference is in the methods used, not in the greater burden heaped on the one man. In doing the work of 20 men he now does less than any one of the 20 formerly did.

There is far too much shortsightedness and false feeling about it.

This is the result of ignorance and thoughtlessness. People don't realize that the industrial system has no magic about it, and that they themselves sustain it. When its wastefulness and carelessness and laziness pile up, then everything stops, and the people wonder why!

This readjustment should not be the task of the managers of industry alone; the workingman himself ought to bear a part in it. The workingman who has intelligence and foresight would be showing great efficiency in the management of his private affairs if he would shun the job where he felt he was a sort of "fifth wheel to the coach."

Labor can do half of this job of readjustment by simply realizing that a day's work means more than merely being "on duty" at the shop for the required number of hours. It means giving an equivalent in service for the wage drawn. And when that equivalent is tampered with either way—when the man gives more than he receives, or receives more than he gives—it is not long before serious dislocation will be manifest. Extend that condition throughout the country, and you have a complete upset of business. All that industrial difficulty means is the destruction of basic equivalents in the shop.

Management must share the blame with labor. Management was lazy too: management found it easier to hire an additional 500 men than to so improve its methods that 100 men of the old force could be released to other work. The public was paying, and business was booming, and management didn't care a pin. It was no different in the office than it was in the shop. The law of equivalents was broken just as much by managers as by workmen.

And the process of reduction should go on among managers just as much as elsewhere. There are too many jobs up in the front office—and that is where the real trouble starts. Reorganization for efficiency really begins where all the inefficiency came from, in the front office.

As a matter of abstract fact, everybody agrees with the principle here stated. If we have 100 men tied up on jobs that can be done by 75, it is not only an inefficient use of human effort, it is also an unfair charge against the public which must pay for the extra 25. The public has been doing this on every commodity it has used, and it has swamped the public. Everybody grants that.

The matter of jobs is easily taken care of. There are thousands of things waiting to be done in the world. There is productive work waiting for more man-power than the world possesses. Jobs that are unnecessary to production are not jobs. They are cancers eating into the body of the people's earnings. Cutting them out is curative.

We need more of it. It is the only way we can insure everybody going back to work.

ONE way to keep a job for everybody is to prevent any job being killed by inefficiency. The public pays for useless jobs. Yet, cutting them out is protested. If better methods enable eight men to produce what ten men did, it does not mean that two men are out of a job. It simply means that their support is not charged up to the public on a job where they are not necessary. The country is ill of inequality between labor and production. Management is most to blame. Managers were lazy and inefficient, too, preferring to heap up unnecessary jobs rather than use their brains and reduce costs. There is work enough waiting to be done, without piling men on jobs where they are not needed.